

Annual Planning Information and Workforce Analysis Reports: East Michigan

State of Michigan

Department of Technology, Management and Budget

Bureau of Labor Market Information and Strategic Initiatives

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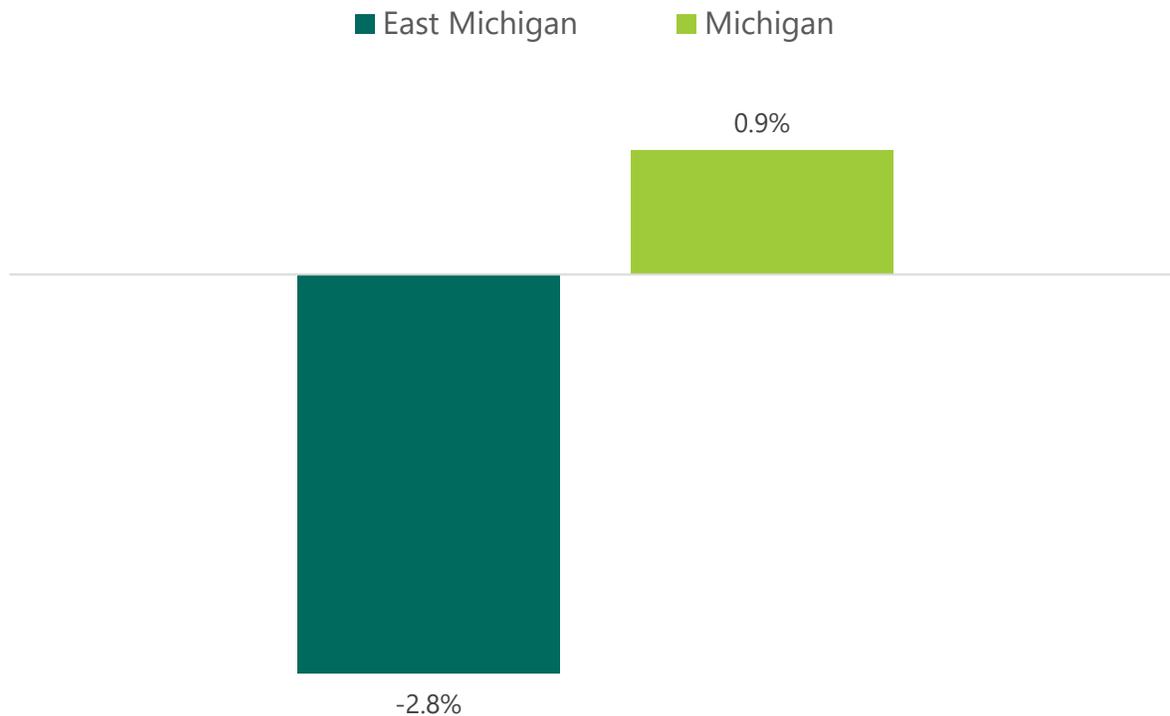
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Population Trends and Characteristics

Tables 1-3

Regional population down 2.8 percent between 2011-2017.

Population Change (2011-2017)



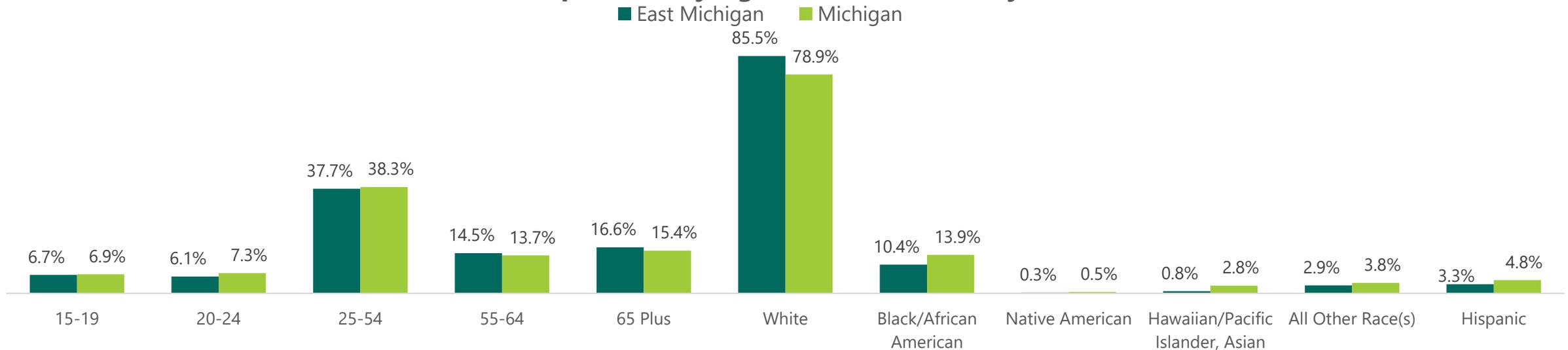
Source: U.S. Census Bureau, Annual Population Estimates

- In 2017, the U.S. Census Bureau estimated that the annual population in East Michigan was 848,700, down from the 853,700 reported in 2015. **(Table 1)**
- Since 2011, East Michigan has seen a 2.8 percent drop in its population, equal to a net loss of 23,600 residents in the region. In contrast, Michigan experienced a 0.9 percent increase in population, while the United States saw an increase in total population by 4.5 percent from 2011 to 2017. **(Table 1)**
- Of the seven counties within East Michigan, only Lapeer county saw an increase in its total population from 2011 to 2017, increasing by only 0.1 percent or 120 persons. Genesee county had the largest numeric decrease in its total population with a loss of 14,500 residents, or 3.6 percent of its population. **(Table 1)**

Estimates show an aging population in East Michigan.

- Both the East Michigan Prosperity Region and the state of Michigan have strikingly similar percentages of their population within each age group. In both the region and the state, residents within the 25-54 year old age group make up the largest percentage of the total population. **(Table 2)**
- The East Michigan Prosperity region has a greater portion of its population that are White, accounting for nearly 86 percent of all residents. Only 124,200 of East Michigan's estimated 858,000 total population in 2016 are not within the White race/ethnicity category. **(Table 2)**

Population by Age and Race/Ethnicity

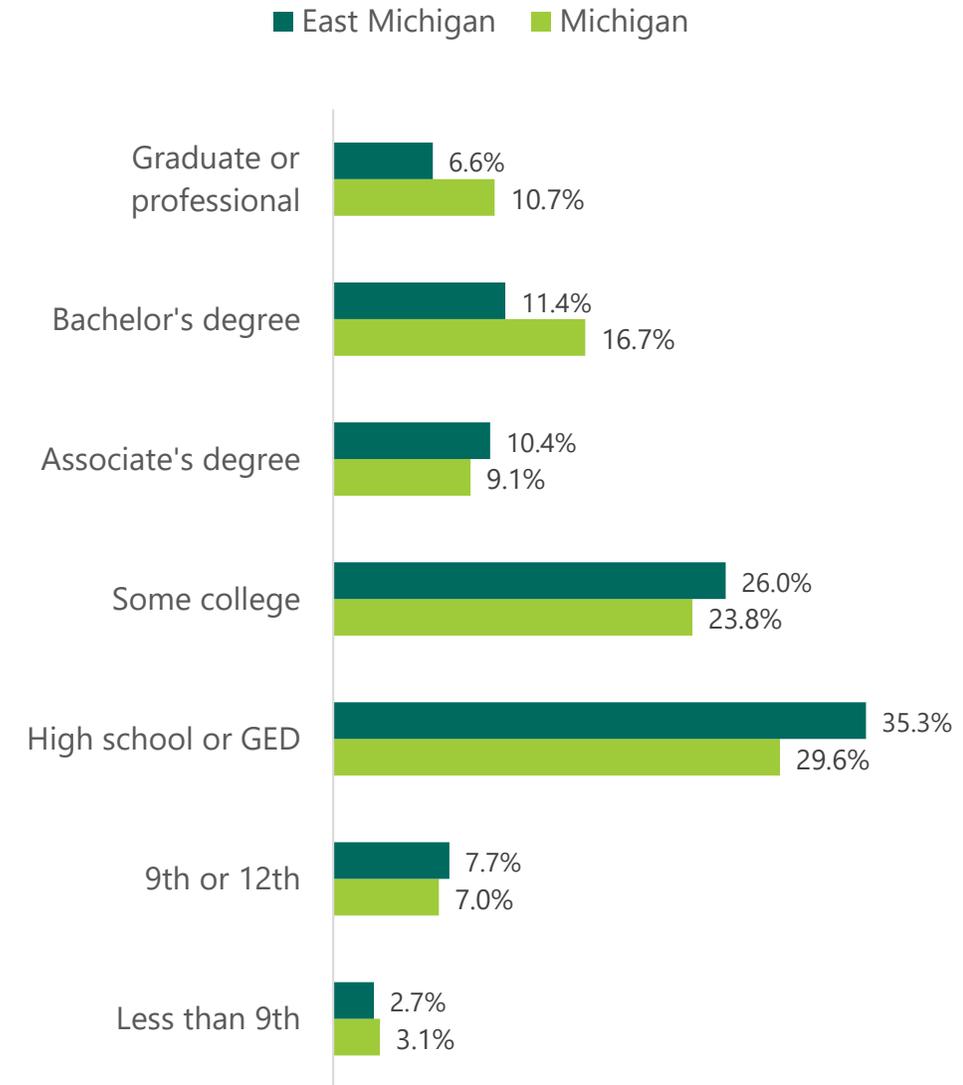


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

East Michigan residents hold more associate's degrees than state average.

- Educational attainment is based on the number of residents 25 and older with various levels of education. In East Michigan, 11 percent of residents possessed a bachelor's degree, notably lower than the 17 percent statewide average. The region reported a slightly larger percentage of residents that held an associate's degree than statewide. **(Table 3)**
- The East Michigan Prosperity Region reported having had nearly 46 percent of its residents having held less than a high school diploma or GED and below, compared to almost 40 percent of statewide residents. **(Table 3)**

Educational Attainment



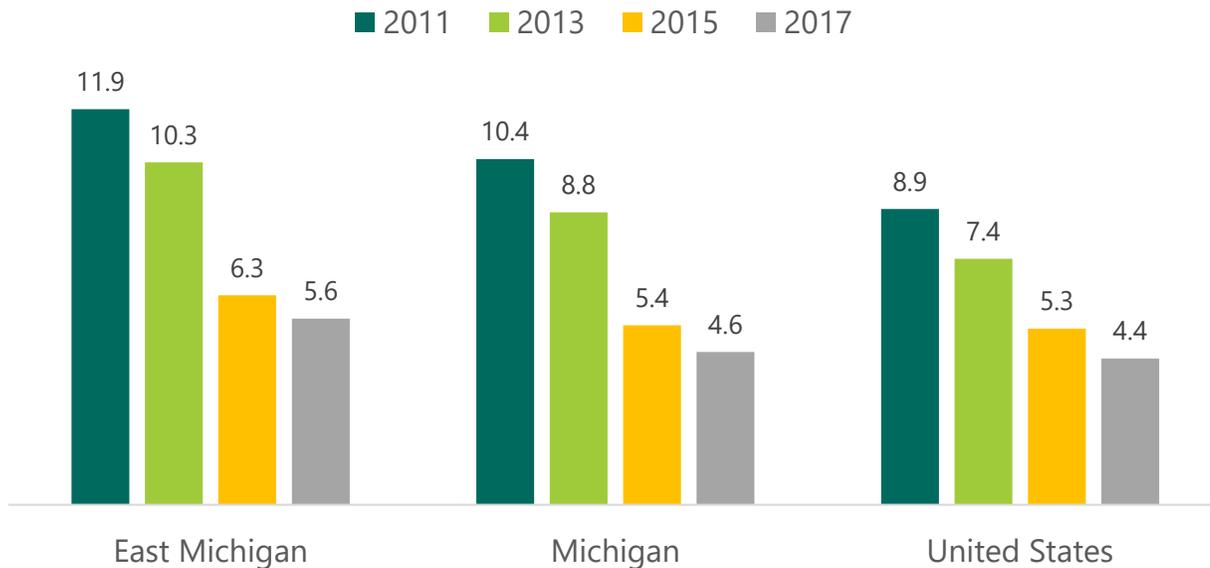
Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Labor Force and Employment Trends and Characteristics

Tables 4-7 and 12

Unemployment rate has declined significantly since 2011 in the region.

Unemployment Rates



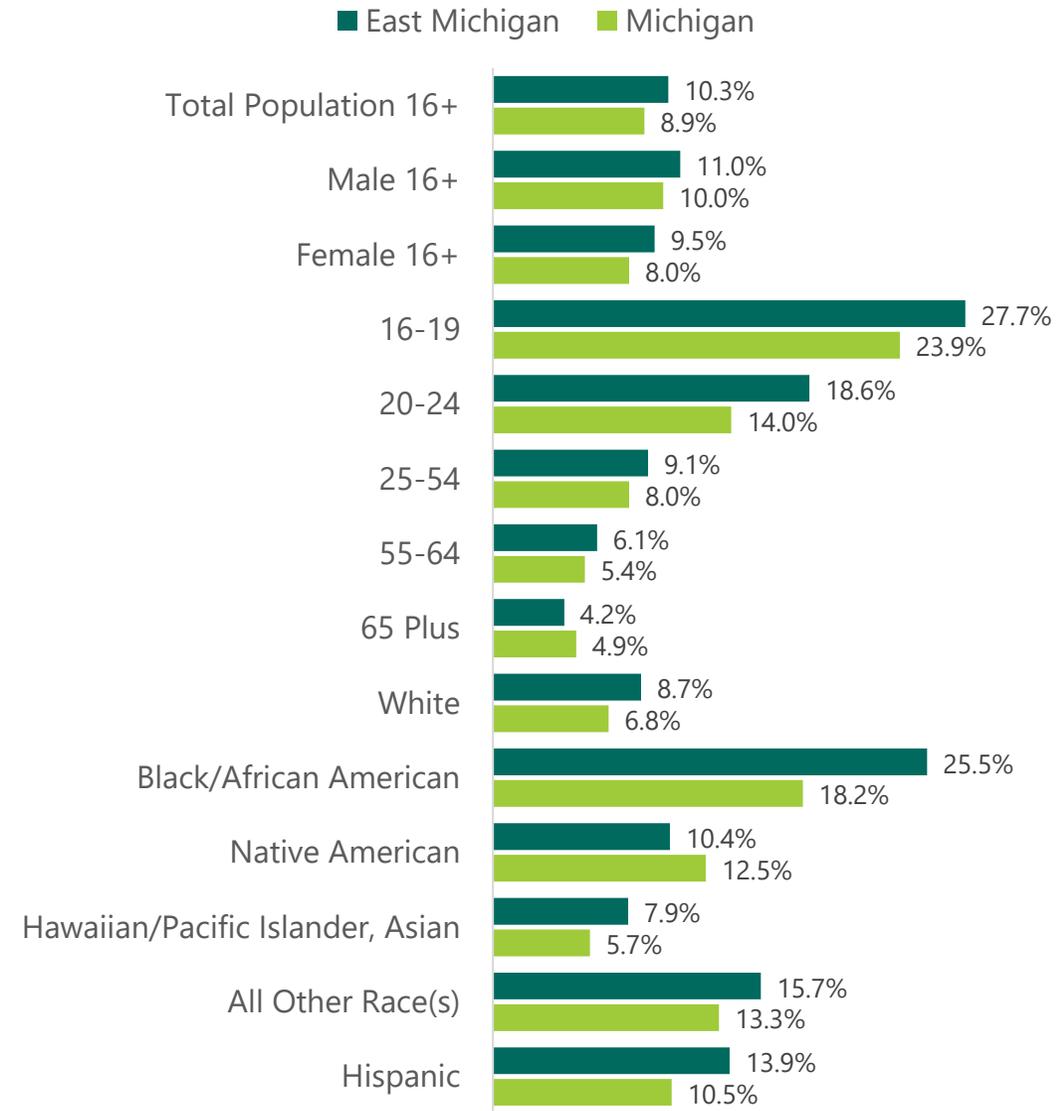
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics (LAUS)

- The unemployment rate has declined significantly in East Michigan, declining by nearly 6 percentage points from 2011 to 2015. A similar trend was seen at both the state and national levels. Since 2015, the jobless rate in the region had fallen by less than 1 percentage point.
- The jobless rate in East Michigan fell to 5.6 percent in 2017. Although the jobless rate has decreased in recent years, it still remains higher than the statewide and national average. **(Table 6)**
- Since 2011, the number of unemployed in the region has declined by 24,700 or 53 percent, while the number of employed has increased by 25,500 or 7.4 percent. **(Tables 5 and 12)**
- The size of the labor force had decreased slightly since 2011, falling by 800 or 0.2 percent. Both statewide and nationally there was a greater increase in the total labor force, increasing by more than 4 percent each. **(Tables 4)**

Regional jobless rates are higher among youth and young adults.

- Within the labor force in the East Michigan Prosperity Region, 52 percent are males and the remaining 48 percent are females. Over half of the unemployed residents are male within the region with a jobless rate of 11 percent, higher than the 9.5 percent for females. Both males and females in the region have a jobless rate at least 1 percentage point above the statewide average. **(Table 7)**
- Following a similar trend seen statewide, youth and young adults (16-24 years old) have a higher jobless rate than that of adults (25+ years old). The youth in the region had unemployment rates reach 28 percent, slightly greater than the statewide average of 24 percent, while young adults reached nearly 19 percent, compared to the 14 percent average statewide. **(Table 7)**
- Nearly all of the race/ethnicity categories had a higher unemployment rate in the region than the statewide average, with the exception of Native Americans. **(Table 7)**

Unemployment Rates by Sex, Age, and Race/Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

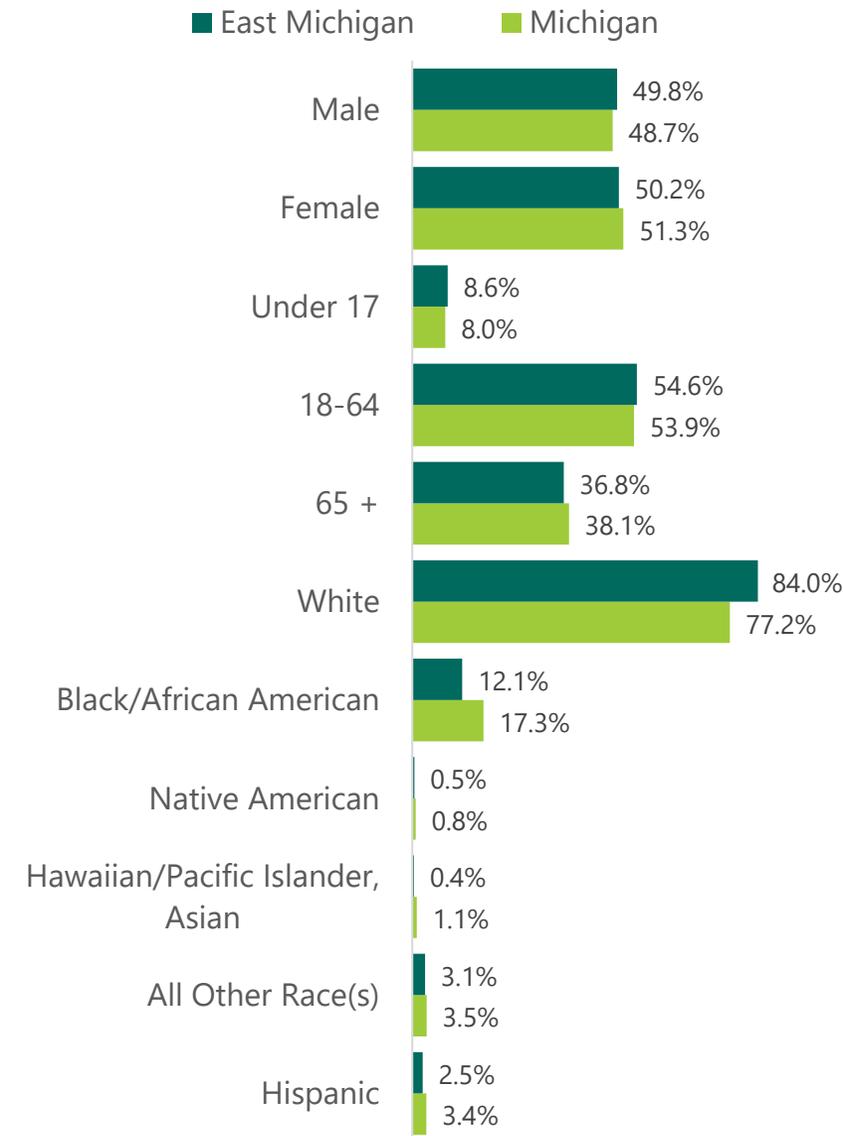
Individuals with Barriers to Employment

Tables 28-36

Individuals with a disability see higher jobless rates and lower labor force participation.

- According to the U.S. Census Bureau, 140,000 people in the East Michigan Prosperity Region reported a disability. About 37 percent of residents were 65 years of age and older. Both the state and region estimates were similar in demographic characteristics of individuals with disabilities. The only notable differences lie in the White and the African American groups. **(Table 28)**
- The labor market status of persons with a disability has improved in Michigan over the past two years (2014-2016), as the economy of the state continues to recover. The labor force participation rate advanced by two percentage points to 25 percent. The unemployment rate reduced by four percentage points, from 16 percent in 2014 to 12 percent in 2016. And the ratio of the employed over the total number of people eligible for work (16 years of age and above) substantially increased by over 2 percentage points to 22 percent. **(Unified State Plan)**

Individuals with a Disability

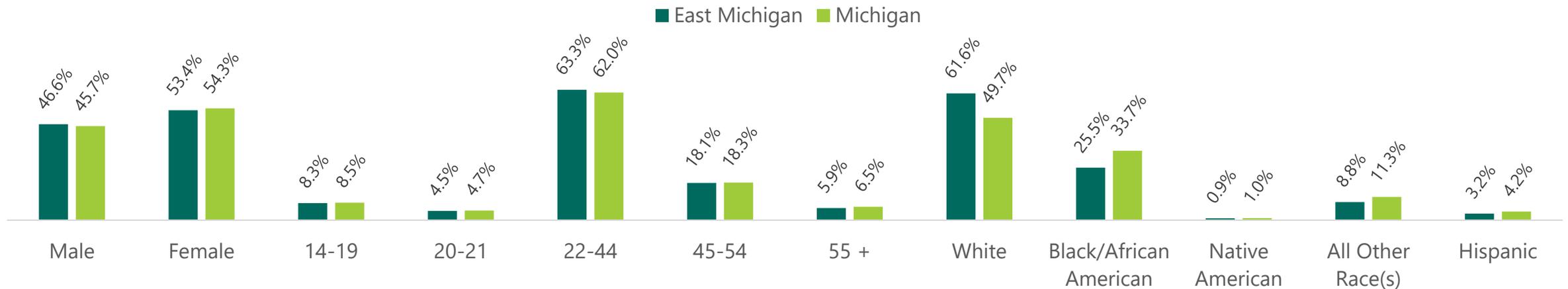


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Assistance program recipients concentrated in the working age and white demographics.

- According to the latest data from the Michigan Department of Health and Human Services, there were about 46,600 assistance program recipients in the East Michigan Prosperity Region.
- The majority of the assistance program recipients were in the prime working age of 22 to 44.
- Nearly 62 percent of assistance program recipients were White in the region, compared to 50 percent statewide. **(Table 30)**

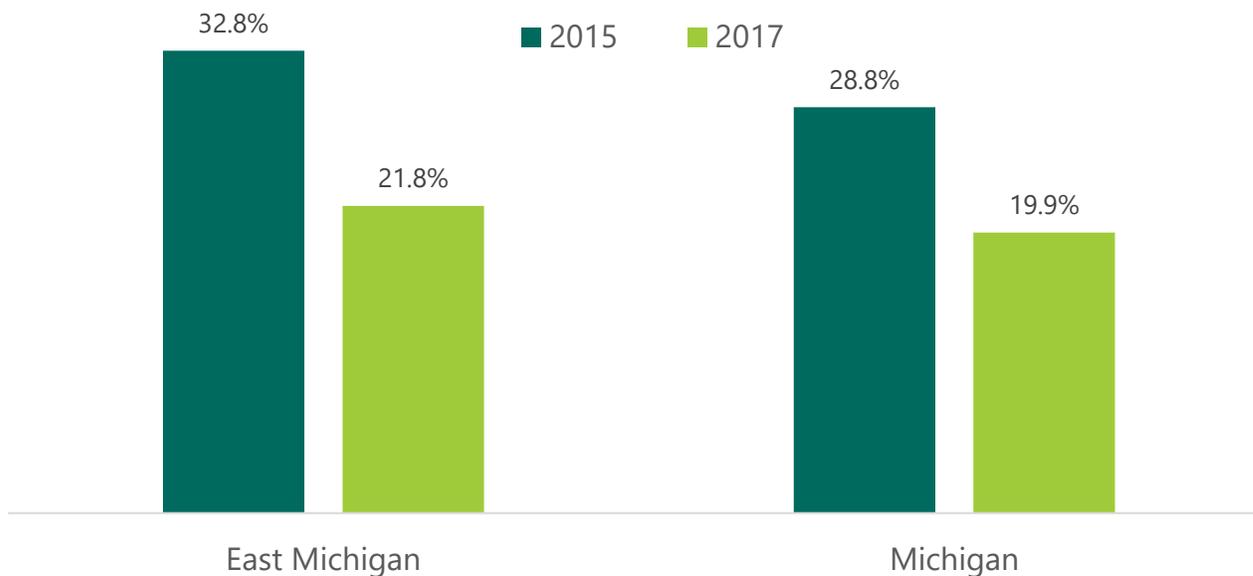
Assistance Program Recipients by Sex, Age, and Race/Ethnicity



Source: Michigan Department of Health and Human Services

East Michigan's percent long-term unemployed exceeds Michigan's average.

Percentage Long-Term Unemployed of Total Unemployed

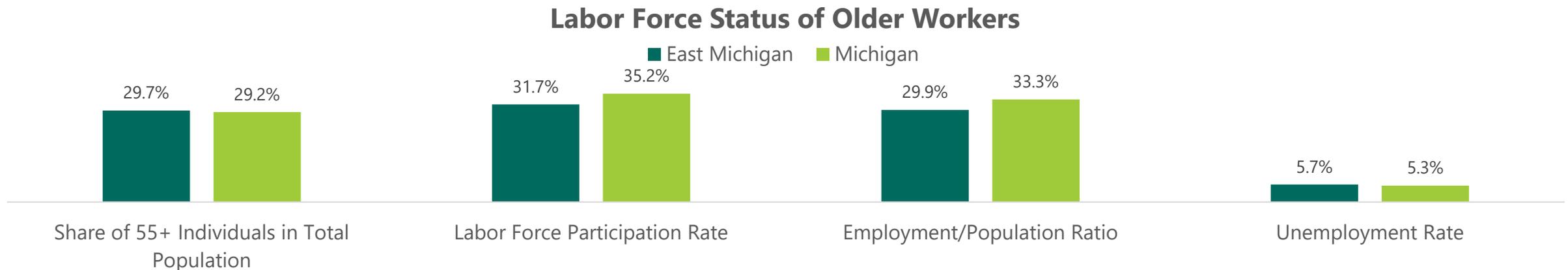


Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

- Long-term unemployment remains an issue in Michigan and in the East Michigan Prosperity Region, as the number and share of those out of work for 27 weeks or more has remained stubbornly high despite the labor market recovery.
- In 2000, 3.5 percent of unemployed Michiganders were out of work for 27 weeks or more. It then escalated to nearly 25 percent by 2003 and swelled to around 50 percent following the Great Recession. Since then, the share has dropped to nearly 20 percent in 2017.
- The number of long-term unemployed individuals in the East Michigan Prosperity Region has followed the same trend statewide. In 2015, 8,100 individuals or 33 percent of all unemployed were long-term unemployed. Long-term unemployment has since recovered, falling to 4,700 or 22 percent in 2017. **(Table 34)**

East Michigan's share of older workers is consistent with Michigan's levels.

- The number of older workers, defined as those 55 years of age and older, maintain a significant share of the total labor force. In East Michigan, 30 percent of the labor force is older workers, while statewide that number is 29 percent. **(Table 35)**
- In East Michigan, the labor force participation rate for older workers is lower than the statewide rate by more than 3 percentage points. Among all residents 55 years and older, 30 percent are employed in the region compared to the 33 percent statewide.
- The jobless rate of older workers in East Michigan is 5.7 percent, slightly higher than the statewide average of 5.3 percent. **(Table 35)**

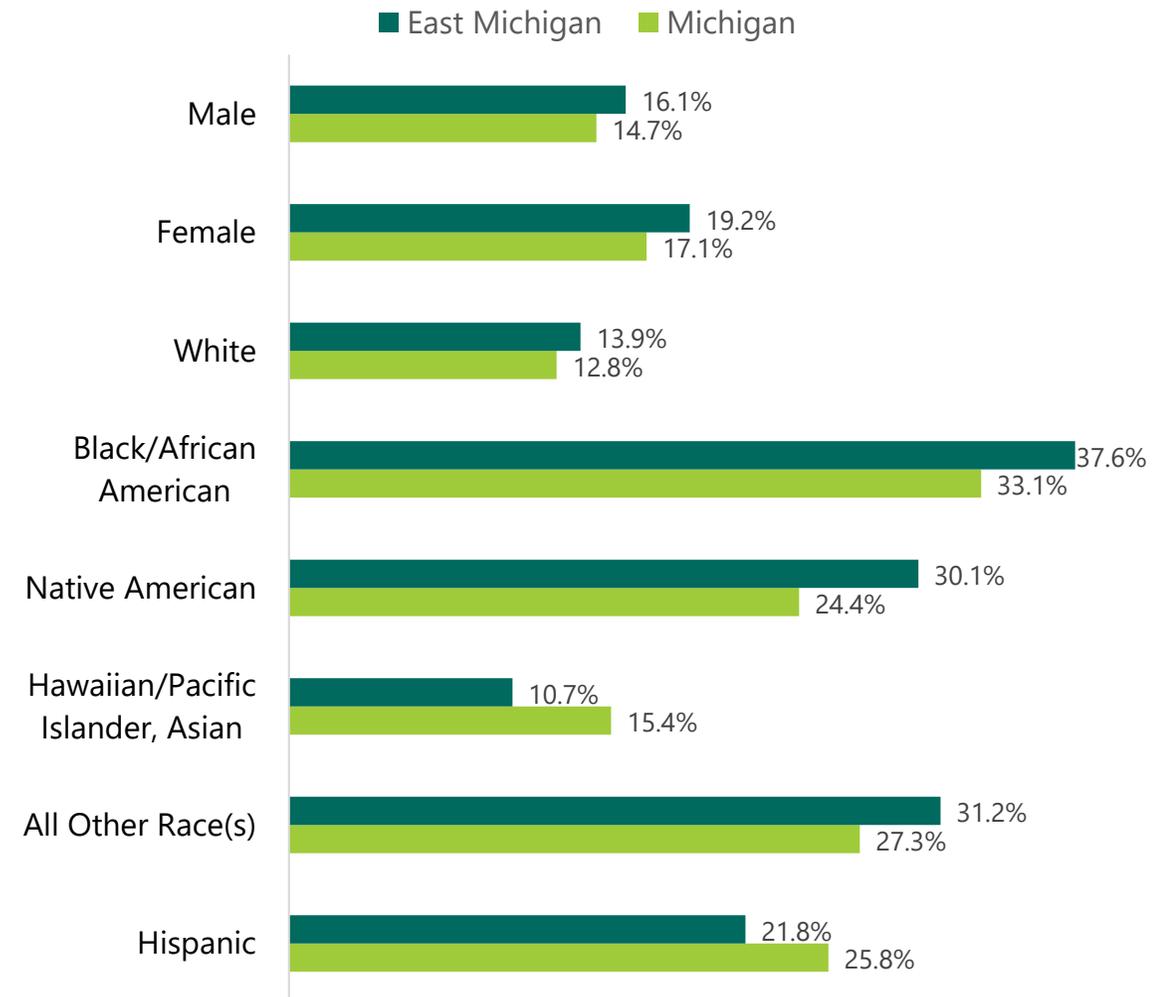


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

17.7 percent of East Michigan residents are below the poverty line.

- In 2016, the U.S. Census Bureau estimated that 151,600 individuals (or 17.7 percent of the population) lived below the poverty line in the East Michigan Prosperity Region. That is 1.4 percentage points above the state poverty rate of 16.3 percent. **(Table 36)**
- A larger share of women (19 percent) in East Michigan are living in poverty than men (16 percent). These figures are slightly higher than the statewide average where 17 percent of women and 15 percent of men are below the poverty line. **(Table 36)**
- Most of the racial/ethnic groups in the region have greater poverty rates than statewide levels. Although, Hispanics and Hawaiian/Pacific Islander, Asians in the region have a smaller percentage below the poverty line than the statewide average. **(Table 36)**

Poverty by Sex and Race/Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

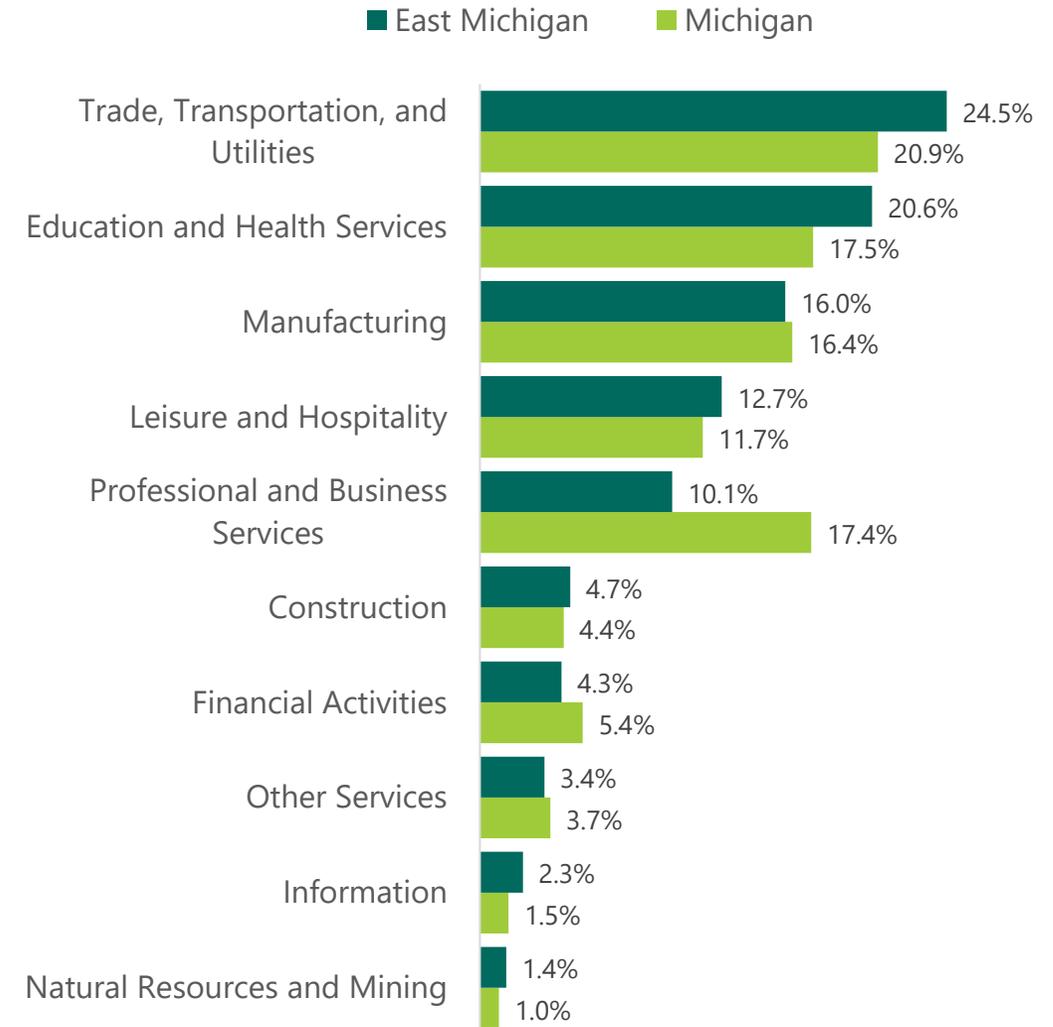
Existing and Emerging In-Demand Industry Sectors and Occupations

Tables 8 and 18-23

Over 60 percent of East Michigan employment is found in three major industry sectors.

- In the 2nd quarter of 2017, the *Trade, transportation, and utilities* industry had the largest concentration of jobs in the East Michigan Prosperity Region, accounting for one in four of total jobs. The same could be said two years prior in 2nd quarter 2015. **(Table 8)**
- Other large contributors to the regions employment were *Education and health services* (20.6 percent), and the *Manufacturing* (16 percent) industry. **(Table 8)**
- Many of the percentage distributions of employment for each of the industries within the region are similar to the statewide averages. One notable difference is in *Professional and business services*, which accounts for just over 10 percent of the region's total payroll jobs, while the statewide average for this industry is nearly 18 percent. **(Table 8)**

Distribution of Industry Jobs, 2nd Quarter 2017

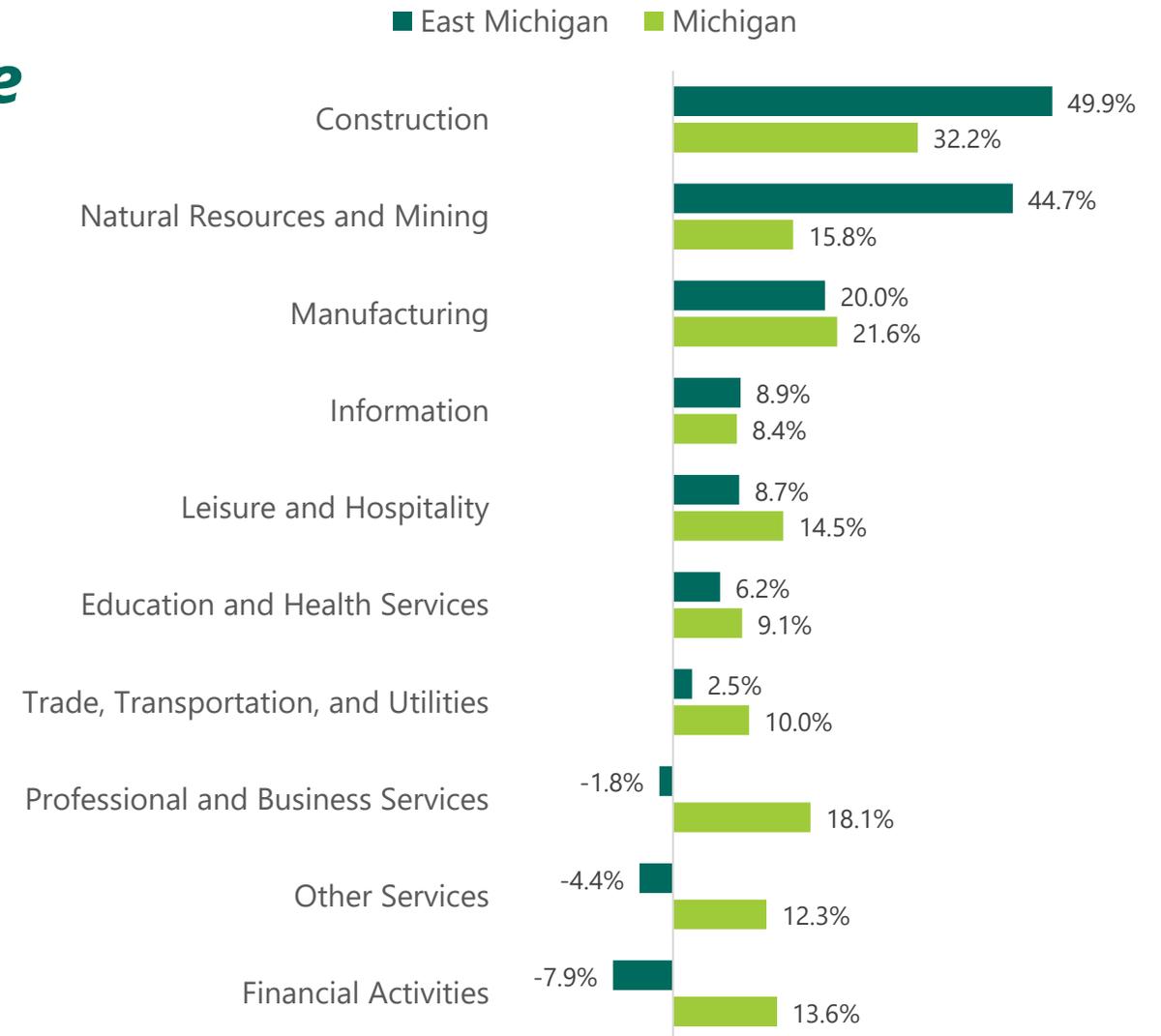


Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

Manufacturing job additions outpace statewide growth and drive total job gains.

- The East Michigan Prosperity Region’s private sector employment expanded by 14,900 or 7.5 percent since 2011, or 1.3 percent since 2015. The leading contributors to this growth in employment were largely due to increases in the *Manufacturing* and *Construction* private sector employment. **(Table 8)**
- Only three industries in the region saw private sector job losses since 2011. These industries include the *Financial activities* sector, which saw a loss of 780 jobs, *Professional and business services* fell by 390 jobs, and the *Other services* sector, which fell by 330 jobs. **(Table 8)**
- Within East Michigan, the *Construction* sector had the largest percentage growth of 50 percent, but it was *Manufacturing* that had the largest numeric growth of 5,700 jobs. **(Table 8)**

Private Sector Job Trends



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

Online job postings reach 6,400 in 2nd Quarter 2017.

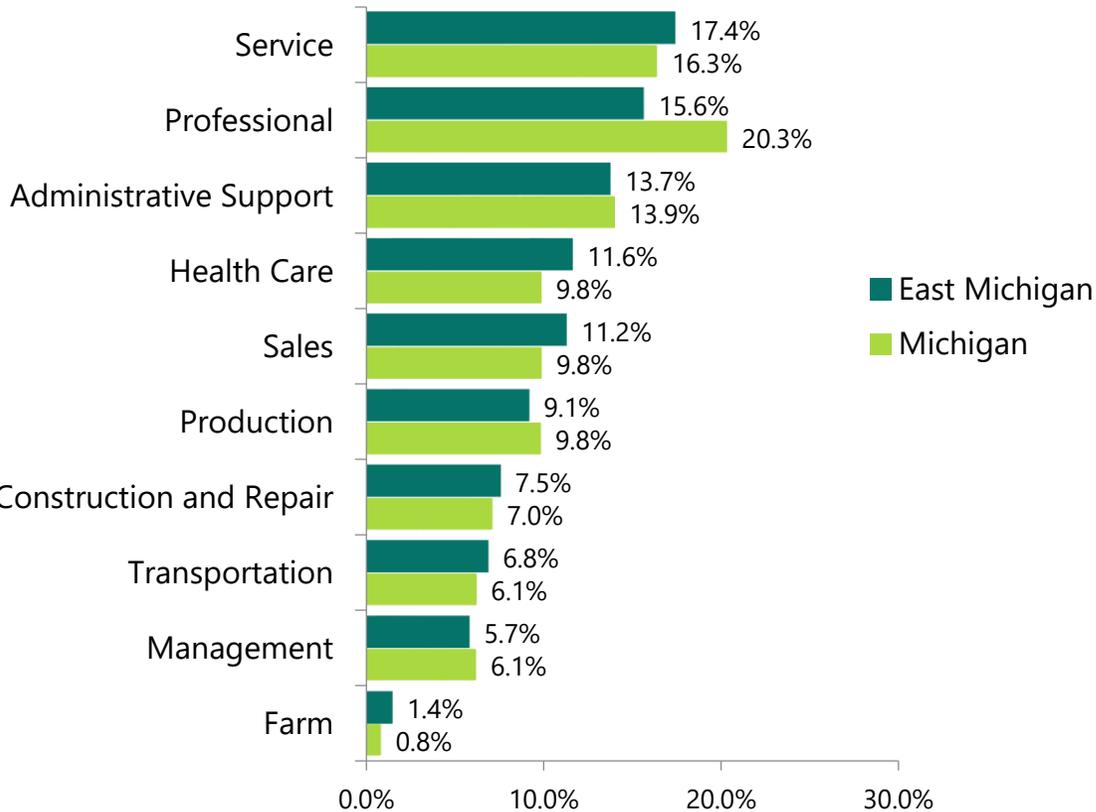
Online Advertised Job Postings - East Michigan	
Job Title	Number
Registered Nurses	473
Heavy and Tractor-Trailer Truck Drivers	263
First-Line Supervisors of Retail Sales Workers	216
Retail Salespersons	198
Maintenance and Repair Workers, General	133
First-Line Supervisors of Food Preparation and Services	95
Social and Human Service Assistants	89
Landscaping and Groundskeeping Workers	86
Stock Clerks and Order Fillers	74
Customer Service Representatives	67

Source: The Conference Board, Help Wanted Online Database

- In the 2nd quarter of 2017, there were 6,400 online advertised job postings in the East Michigan Prosperity Region, according to the Conference Board’s Help Wanted Online Database. **(Table 18)**
- A large portion of job advertisements (36 percent) were concentrated in three occupational categories: *Healthcare practitioners and technical, Sales and related, and Transportation and material moving.* **(Table 18)**
- The most common advertised online job titles include *Registered nurses, Heavy and tractor-trailer truck drivers, First-line supervisors of retail sales workers, and Retail salespersons.* **(Table 18)**
- The majority of top job advertisements posted online require a high school diploma, some vocational training, or an associate’s degree. In East Michigan, eight of the top ten online job postings required a high school diploma or less. **(Table 18)**

Little change expected in mix of East Michigan's largest occupations.

Projected 2024 Distribution of Jobs by Broad Occupational Groups



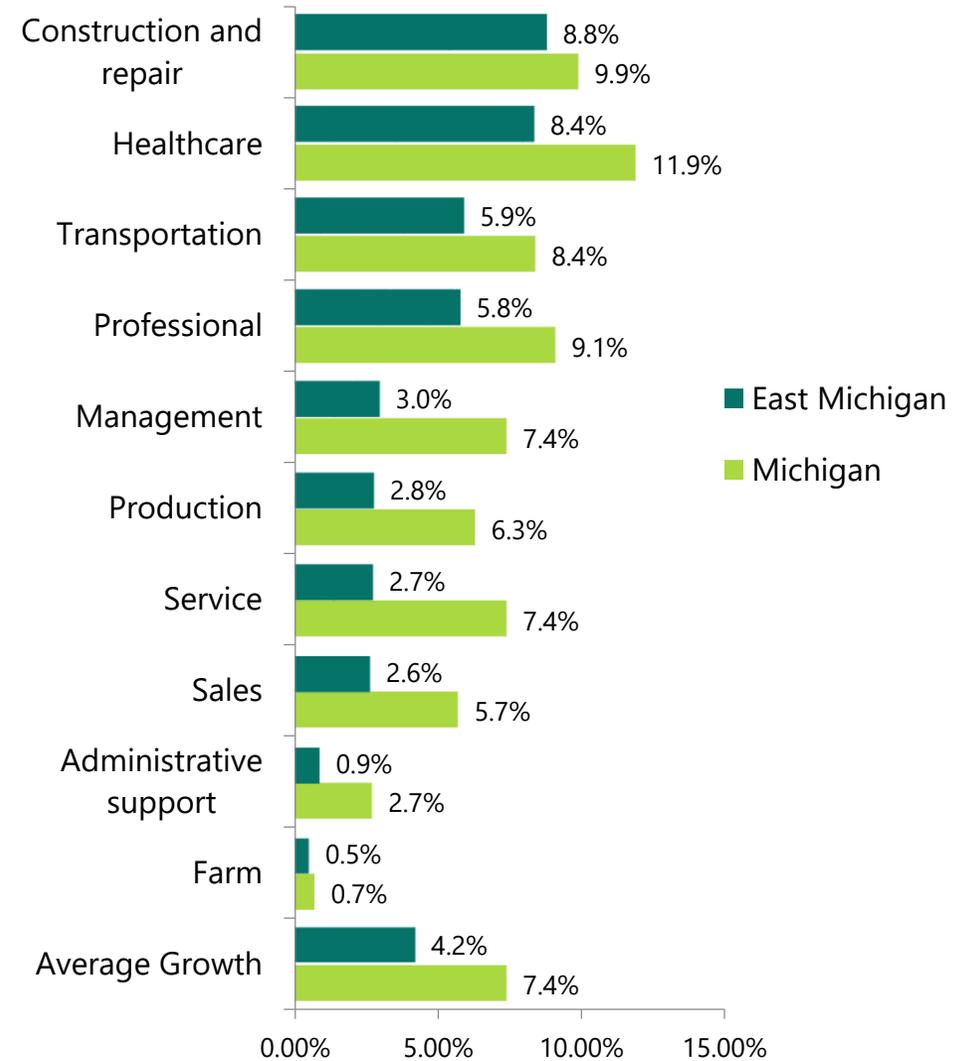
Source: Bureau of Labor Market Information and Strategic Initiatives

- In general, the share of total employment for occupational groups in 2014 and 2024 are expected to change little, with currently large groups expected to remain on top by share of total employment.
- Through 2024, the *Service* occupational group is expected to continue to be the largest in the East Michigan Prosperity Region, accounting for over one in six jobs in the region.
- The *Professional* occupational group is the second largest occupational group in the region, contributing to around 15 percent of jobs through 2024. Statewide, the *Professional* occupational group contributes almost 5 percentage points more to the total labor force than in the region. The group contains many high-demand occupations, such as *Civil engineers* and *Mechanical engineers*.
- The third largest contributor to jobs in the region is the *Administrative support* occupational group. Similar to the statewide average, the group makes up nearly 14 percent of the total labor force. **(Table 19)**

Construction, Healthcare and Transportation occupations projected to have highest percent growth through 2024.

- Employment in all occupational groups in the East Michigan Prosperity Region are projected to grow below the statewide average through 2024.
- Three groups of occupations are expected to create nearly 60 percent of the 11,500 new jobs in East Michigan.
 - *Construction and repair* occupations are expected to see the most percentage growth in the region, gaining 1,700 jobs, or 8.8 percent, from 2014 levels.
 - *Healthcare* occupations are projected to have the second largest percentage growth, increasing by 8.4 percent through 2024. Additionally, this group is expected to have the largest increase in the total number of job openings, growing by 2,600 jobs.
 - *Transportation* occupations, which include occupations like *Heavy and tractor-trailer truck drivers and Light truck or delivery service drivers*, are projected to have the third largest percentage growth in the region, rising by 1,100 jobs, or 5.9 percent, through 2024. **(Table 19)**

Projected Percent Growth by Broad Occupational Groups (2014-2024)

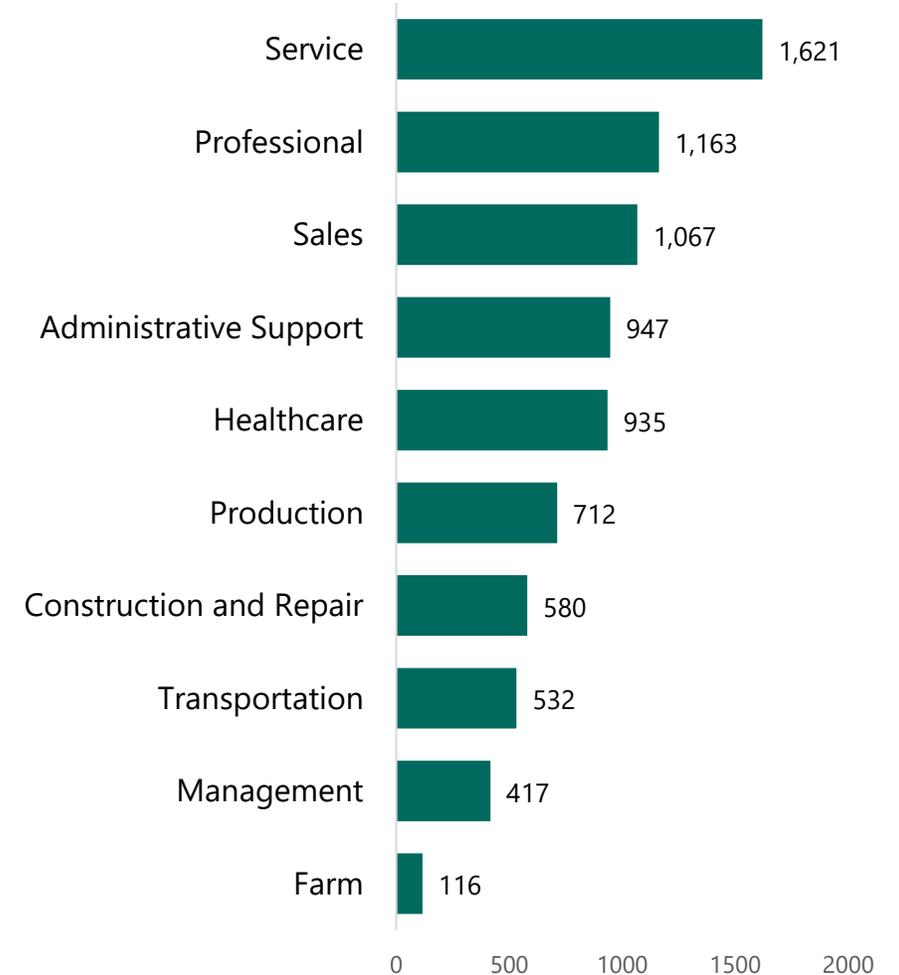


Source: Bureau of Labor Market Information and Strategic Initiatives

Need for replacement workers drive largest occupations to top positions by annual openings.

- Because of the need to replace workers who are retiring or otherwise leaving their occupation in the area, the largest groups that are projected to see the most annual openings through 2024.
- Within the East Michigan Prosperity Region, of the 8,100 projected annual job openings, 18 percent are due to growth (new positions), while the remainder are due to replacement.
- The largest occupational group is *Service* occupations, which is expected to have 1,600 annual openings through 2024. Only 12 percent of openings in *Service* occupations are due to growth. Following closely is *Professional* occupations with 1,200 job openings, of which 22 percent of openings are due to growth. **(Table 20)**

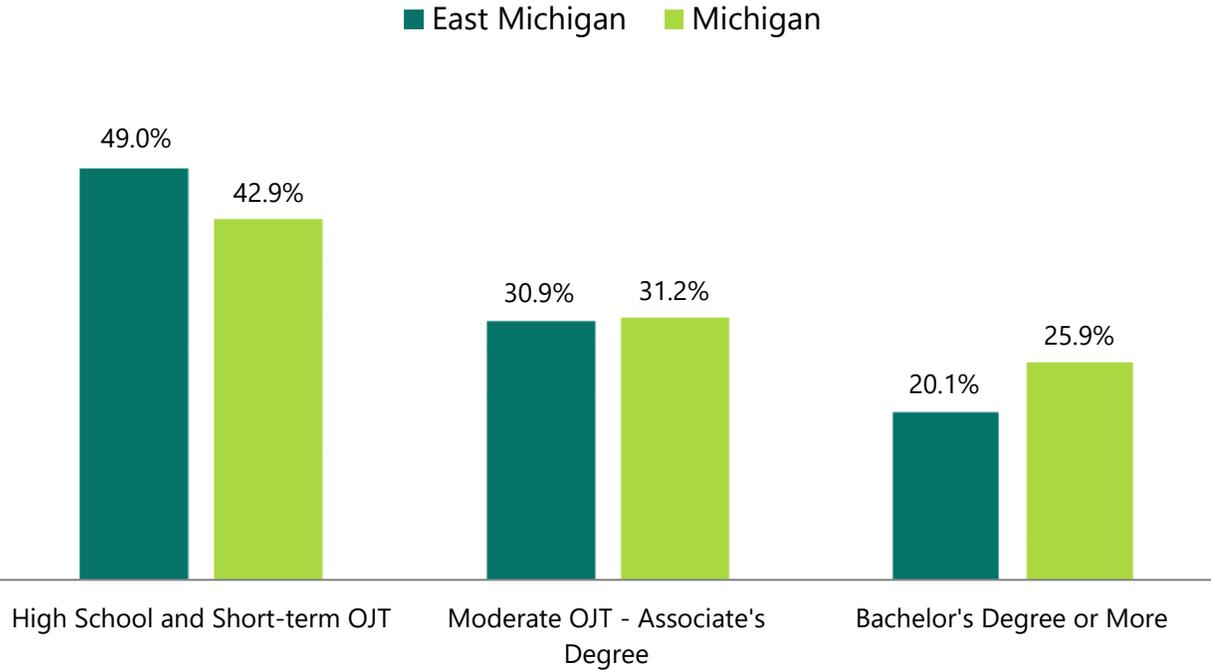
Projected Annual Openings by Broad Occupational Groups (2014-2024)



Source: Bureau of Labor Market Information and Strategic Initiatives

Jobs in East Michigan projected to require less education on average than statewide.

Projected 2024 Occupational Employment by Education (Share of Total)

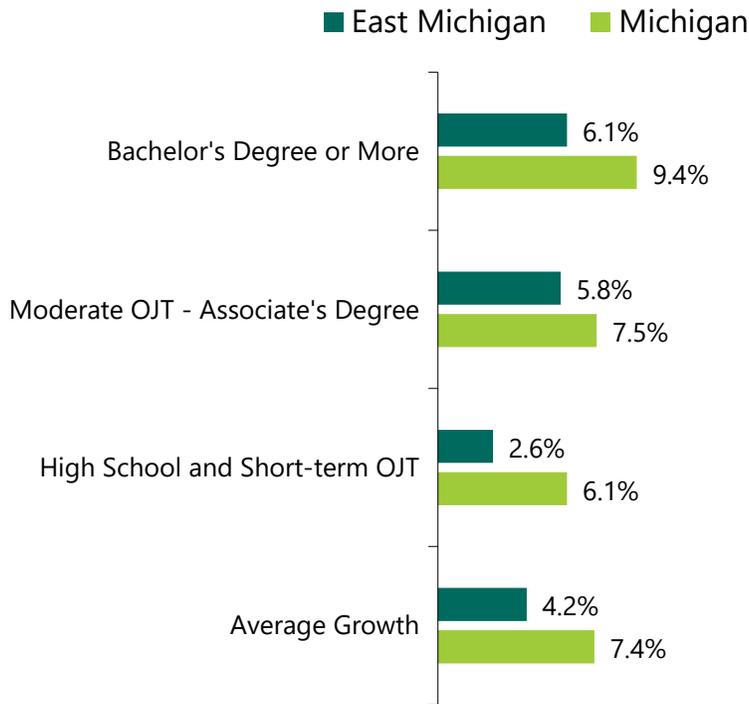


Source: Bureau of Labor Market Information and Strategic Initiatives

- From 2014 to 2024, the distribution of jobs by education level in the East Michigan Prosperity Region is anticipated to change very little. Positions that require a bachelor’s degree or higher may drop slightly during this time, while positions that require a high school diploma and short-term OJT or less and those that require moderate OJT or an associate’s degree will increase slightly. All education levels are expected to change by less than a percentage point.
- By 2024, 49 percent of East Michigan jobs will still need only a high school diploma or less, with short-term to no on-the-job training. These occupations have a large employment base and will have many openings available annually through the need to replace workers.
- Nearly a third of the area’s jobs will require an associate’s degree, a post-secondary training program, some college with no degree, or a high school diploma or less accompanied with an extended period (six months or more) of apprenticeship and/or on-the-job training. Many *Healthcare* and *Construction and repair* careers are in this group and provide long-run employment growth and relatively high earnings.
- It is projected that by 2024, 20 percent of openings will require a bachelor’s degree or higher. Some of these include high-demand occupations such as *Financial analysts*, *Electrical engineers*, and *Registered nurses*.

East Michigan's projected growth rates for all levels of education and training are expected to be below Michigan rates.

Projected 2024 Occupational Growth by Education



Source: Bureau of Labor Market Information and Strategic Initiatives

- Positions that require a bachelor's degree or higher are projected see growth of 6.1 percent, nearly 2 percentage points above the East Michigan regional average. Occupations that require moderate OJT and an associate's degree are also projected to exceed the regional average, increasing by 5.8 percent from 2014 to 2024.
- Occupations that require a high school diploma and short-term OJT or less are estimated to grow by only 2.6 percent. This is noticeably different from the statewide average where the same occupations are expected to increase by 6.1 percent during the period.
- For each of the levels of educational attainment, as well as the average growth rate in the region, these are all noticeably lower than the statewide average occupational growth rate.

Healthcare occupations are prevalent in East Michigan's high-demand, high-wage occupations.

- High-demand, high-wage occupations are jobs that demonstrate a favorable mix of long-term job growth, annual openings from both growth and replacement, and median wages.
- In general, occupations with a large employment base create many job openings due to the need to replace workers (size of the bubble on the chart). However, the occupation with the highest number of annual openings is *Registered nurses*, which is projected to have an above-regional-average growth rate and considerable hourly wages in addition to many annual openings.
- Using the list of occupations as an example, its easy to see that an increased level of education is directly correlated with the a level of pay. **(Table 23)**

Annual Openings, Growth Rate, and Hourly Wage for High-Demand, High-Wage Occupations



	Occupation		Occupation
A	Accountants and Auditors	F	Mechanical Engineers
B	Computer Systems Analysts	G	Personal Financial Advisors
C	Electricians	H	Physical Therapists
D	Financial Managers	I	Physician Assistants
E	Heavy and Tractor-Trailer Truck Drivers	J	Registered Nurses

Source: Bureau of Labor Market Information and Strategic Initiatives

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